

# Indiana House of Representatives

## News and Information

Media Office  
Democratic Caucus  
John Schorg, Director  
Statehouse, Room 157  
Indianapolis, Indiana 46204  
1-800-382-9842 or 1-317-232-9621  
Fax Number: 1-317-232-9792

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### **CRAWFORD: MORE BAD BUDGET NEWS KEEPS ROLLING IN**

***"Let the people know the facts, and the country will be saved." – Abraham Lincoln***

INDIANAPOLIS – As the Indiana Senate begins deliberations on a proposed biennial state budget endorsed by the Indiana House Republicans, State Rep. William Crawford (D-Indianapolis) said more bad news on the fiscal front makes it certain that major revisions will have to be made to balance the budget.

"House Democrats believe the budget contained in House Bill 1001 was already out of balance and fiscally irresponsible when the House Republicans passed it out of our chamber," said Crawford, ranking Democrat on the House Ways and Means Committee. "Now that it turns out state revenues are lagging behind projections by more than \$90 million, I think the only real alternative is for Senate Republicans to toss out the bill and start over from scratch."

Making the news even worse are three recent announcements from the Indiana Department of Education, according to Crawford:

- Due to insufficient funding, the Special Education Pre-school Grants will be reduced by \$4 million statewide in March. Crawford said these grants help fund educational services offered through the federally-mandated pre-school special education program. Under this change, Indianapolis Public Schools will lose more than \$140,000.

- Charter schools have overspent their statewide spending cap by more than \$60,000, which will result in a reduction of funding by nearly \$15 for each charter school student.

- The tuition support deficiency, originally estimated at \$52 million for 2004-05, has been revised upward to \$58 million. By failing to provide the funding that had been promised to school corporations, Crawford said legislators are forcing local school officials to come up with their own means to fund these deficiencies, which can mean program cuts, tax increases or both.

"What we are starting to see are a series of items that are beginning to add up to a fiscal crisis that will roll back many of the gains that have taken place in our state in areas like education and health care," Crawford said. "This budget is providing financial death through a thousand paper cuts, and I do not see how the patient can be revived without major assistance."

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